

**COMMONWEALTH OF MASSACHUSETTS**  
**DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY**

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<b>In the Matter of</b>	)	<b>D.T.E. No. 03-128</b>
	)	
<b>New England Power Co.</b>	)	
	)	<b>Salem, MA</b>
_____	)	

**TESTIMONY OF CITY PLANNER JOSEPH P. WALSH, JR.**

1. Q. Would you kindly state your full name, business address, and position with respect to your employment with the City of Salem?

A. My name is Joseph P. Walsh, Jr. My business address is 120 Washington Street, Salem, MA. I have been the Director of the Salem Department of Planning, Community and Economic Development and the Executive Director of the Salem Redevelopment Authority since 2001.

2. Q. What are your professional qualifications?

A. I have a Masters in Public Administration from the John F. Kennedy School of Government at Harvard University (1999) and a Bachelor of Arts from College of the Holy Cross (1988).

I presently serve on the Boston Metropolitan Planning Organization (MPO), Executive Committee Member of the Metropolitan Area Planning Council (MAPC), member of the Massachusetts Bay Transportation

Authority Advisory Board, Salem State College Assistance Corporation, Vice President the Salem Partnership, a Member of the Steering Committee for the MBTA North Shore Major Investment Study and a member of the American Planning Association.

3. Q. What involvement have you had with this site?

A. As City Planner, I was extensively involved in the negotiations surrounding the implementation of the Emissions Control Plan (“ECP”) at Salem Harbor Station to meet the so-called 7.29 standards. USGen New England, Inc. (“USGen”) is the owner of the electric generating plant at the site and responsible for the upgrades. I am also presently involved in negotiations with state and federal regulators on how to fund the \$175 million dollar improvements. Prior to deregulation, it was essentially all one site. Now, it has been broken into transmission and generation. NEP has easements on the site for its substation and transmission. (See NEP Exhibit RFL-1).

Additionally, I oversaw the site plan review process with the Salem Planning Board.

4. Q. Have those negotiations involved any issues regarding local permitting requirements by USGen?

A. As part of the negotiations, the City of Salem sought and obtained an agreement that notwithstanding the possible exemption from local

permitting, USGen would agree to concurrently submit to local site plan review.

5. Q. Has USGen gone through that local site plan review process?

A. Yes. I believe USGen's project, which is exponentially larger in scope than this, was reviewed and completed within four meetings start to finish – approximately four months. Ironically, USGen's exemption petition with this agency remains pending; they've already completed that which they hoped to be exempt from due to possible delays. The Site Plan decision was not appealed.

6. Q. During the course of reviewing USGen's project, did anyone from NEP contact you to discuss possibly coordinating its capacitor bank project with USGen's ECP project?

A. No.

7. Q. Has NEP submitted any of its recent expansion plans to local review?

A. NEP did recently submit its automation project to local zoning review. It was reviewed in an expedited fashion. It was reviewed and approved within approximately ten (10) minutes of discussion before the Salem Board of Appeals. USGen requested that NEP get this approval so that NEP's automation project would not cause any potential delays for USGen's ECP implementation. This decision was not appealed.

8. Q. Based on the information presented to date, do you have any reasonable expectation that local site plan review of this capacitor bank project would not proceed in a similarly expeditious manner?

A. No.

9. Q. Has anyone from NEP ever discussed with your department the redevelopment of this site in the event that the plant should close?

A. No.

10. Q. Are you concerned about the impact this capacitor bank project has on the potential use or reuse of the property?

A. We are very much concerned that this site remains undevelopable for any other use than the transmission of electricity – even that is questionable based on its DPA (Designated Port Area) status.

Indeed, we are much concerned that history will repeat itself.

Approximately, fifty years ago, when the power plant moved from its old site on the corner of Congress and Peabody Streets to its present location just down the road on Fort Avenue, it left behind an extremely unsightly substation, some might even say blighted area. The old station is essentially an area closed off to the largely residential district. It is closed to the public. Cooperation on redevelopment of the site is so bad that we can't even get NEP to agree to allow a portion of the South Harbor River walkway to be built across it.

11. Q. Do you have any other redevelopment concerns possibly raised by this capacitor bank project?

A. The national security element of the reliability of electricity supply must not be ignored. Post 9-11, I think it is reasonable to expect that security will become a major concern should the generating plant be closed. NEP presents nothing in this regard in this petition for exemption. I seriously question what impact such a heightened level of national security concerns will have on any potential redevelopment of the site.

**AFFIDAVIT OF JOSEPH P. WALSH, JR.**

**I, Joseph P. Walsh, Jr.,** state that:

1. I have prepared my direct testimony, submitted on behalf of the City of Salem on this date in the proceeding to consider a zoning exemption for NEP in the City of Salem, Massachusetts.
2. I hereby swear that the information contained in my direct testimony is true, accurate and complete to the best of my knowledge.

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Joseph P. Walsh, Jr.  
Salem City Planner  
120 Washington Street  
Salem, Massachusetts 01970  
978.745.9595 ex 311  
[jwalsh@salem.com](mailto:jwalsh@salem.com)

Subscribed and sworn to under the pains and penalties of perjury this 25<sup>th</sup> day of March, 2004.

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John D. Keenan, Notary Public  
My commission expires: 03.26.10